

AMENDED IN ASSEMBLY APRIL 22, 2003

CALIFORNIA LEGISLATURE—2003–04 REGULAR SESSION

ASSEMBLY BILL

No. 1598

Introduced by Assembly Member Corbett

February 21, 2003

An act to amend Section 3 of Chapter 899 of the Statutes of 1995, and to amend Section 2 of Chapter 895 of the Statutes of 2001, relating to seismic activity, making an appropriation therefor, and declaring the urgency thereof, to take effect immediately.

LEGISLATIVE COUNSEL'S DIGEST

AB 1598, as amended, Corbett. Seismic safety: insurance: retrofitting.

Existing law requires the Department of Insurance to establish a program for residential grants and loans to help pay for the retrofitting of high-risk residential dwellings owned or occupied by low- and moderate-income households, in order to minimize the risk of earthquake damage to those dwellings and thereby reduce the costs of residential earthquake insurance. Existing law appropriates ~~\$4,400,000~~ *a specified amount* from the California Residential Earthquake Recovery Fund to the department for the purposes of this program. Existing law limits the department to using no more than \$265,000 per fiscal year to administer the program. The funds are available until December 1, 2004. Existing law appropriates the entire amount of funds not previously appropriated from that fund, not to exceed \$1,500,000, to the department for purposes of the program.

This bill would ~~appropriate \$12,200,000 from the California Residential Earthquake Recovery Fund to the department for the~~

~~purposes of this program. The bill would limit the department to using no more than \$265,000 for the 1998–99 through 2002–03 fiscal years, and to using no more than \$355,000 \$290,000 per fiscal year thereafter to administer the program. This bill would make the funds available until July 1, 2007. The bill would also increase the maximum appropriation to the department of the entire amount of funds not previously appropriated to appropriate \$2,900,000 to the department from the California Residential Earthquake Recovery Fund for the program.~~

The bill would declare that it is to take effect immediately as an urgency measure.

Vote: ²/₃. Appropriation: yes. Fiscal committee: yes. State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Section 3 of Chapter 899 of the Statutes of 1995
2 is amended to read:
3 Sec. 3. The sum of ~~twelve million two hundred thousand~~
4 ~~dollars (\$12,200,000)~~ *four million four hundred thousand dollars*
5 *(\$4,400,000)* is appropriated from the California Residential
6 Earthquake Recovery Fund to the Department of Insurance for the
7 program established pursuant to this act. During the second half of
8 the 1995–96 fiscal year, the Department of Insurance may use up
9 to one hundred fifty-nine thousand dollars (\$159,000) for costs of
10 initial implementation and administration of the program. During
11 the 1996–97 and 1997–98 fiscal years, no more than two hundred
12 thousand dollars (\$200,000) per fiscal year may be used by the
13 department to administer this program. During the 1998–99
14 through 2002–03 fiscal years, no more than two hundred sixty-five
15 thousand dollars (\$265,000) per fiscal year may be used by the
16 department to administer this program. Thereafter, no more than
17 ~~three hundred fifty-five thousand dollars (\$355,000)~~ *two hundred*
18 *ninety thousand dollars (\$290,000)*” per fiscal year may be used
19 by the department to administer the program.
20 Money appropriated by this section shall be available for
21 expenditure until July 1, 2007. On and after that date, the program
22 established by Chapter 899 of the Statutes of 1995 shall no longer
23 be operative.

SEC. 2. Section 2 of Chapter 895 of the Statutes of 2001 is amended to read:

~~Sec. 2. The entire amount of funds not previously appropriated, not to exceed~~

Sec. 2. The sum of two million nine hundred thousand dollars (\$2,900,000) and all interest earnings, calculated daily, is appropriated from the California Residential Earthquake Recovery Fund to the Department of Insurance for the program established pursuant to Chapter 899 of the Statutes of 1995.

SEC. 3. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:

In order to facilitate the issuance of grants and loans to provide an enhanced level of residential earthquake protection to homeowners living in high-risk areas, it is necessary that for this act to take effect immediately as an urgency statute.

